item in this memorandum was the proposal that the Transport Department of the Admiralty, which was now charged with a multitude of duties in connection with the control and use of shipping, should be transferred to the Ministry of Shipping.

This part of the memorandum ran as follows :—

" Attention is called to the present anomalous position of the Transport Department. The Director of Transports is an Admiralty Officer responsible solely to the Board of Admiralty. His Department, however, in practice regulates the distribution of merchant shipping, not merely for Admiralty service, but also under requisition for War Office, Wheat Commission, and other Government services. So long as all Government demands could be met in full, or subject only to minor adjustment, this arrangement might work smoothly ; but, as soon as cutting down of requirements in one direction or another becomes necessary, difficulties are bound to arise, and the Director of Transports may find himself involved in a conflict of authority.

It is believed that this point has now been reached. The pressure upon available tonnage is now such that it is necessary to weigh against each other the needs of the various Departments, including the Admiralty, and to determine in which

Transfer of Transport Department

direction
priority should be given.[5]

This memorandum was originally drawn up by the Shipping Controller after consultation with me and submitted by him to the Admiralty on 12th January, 1917. The reasonableness of the proposal for the transfer to the Ministry of Shipping of the